

# MARYLAND HEALTH CARE COMMISSION

## *UPDATE OF ACTIVITIES*

**January 2005**

<b>DATA SYSTEMS &amp; ANALYSIS</b>
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### **Maryland Trauma Physician Services Fund**

Last month, staff sent out three Physician Information Bulletins (PIBs) that further clarify services that can be reimbursed under the fund. The Fund will reimburse trauma physicians for interpretation of diagnostic radiology and diagnostic ultrasound procedures performed in the course of surgery. Trauma physicians will also receive payment for consultations in the Emergency Department. In addition, the Fund will reimburse anesthesiologists for providing medical direction to a certified registered nurse anesthetist (CRNA) during a surgical procedure. During the first nine months of the operations, anesthesiologists had been reimbursed if they had supervised two or more CRNAs.

Staff enhanced the Trauma Fund Calculator to record patient account numbers on uncompensated care applications and include a breakdown of payments by specialty on the on-call disbursement reports. Modifications were also made to the calculator to reimburse for diagnostic radiology, diagnostic ultrasound, Emergency Department consultations, and medical direction to a CRNA by an anesthesiologist.

Staff worked with trauma centers to identify participation barriers and ensure all trauma physicians are aware of the Fund. Staff identified more than 100 non-faculty based physicians eligible to participate in the Fund that have not submitted an uncompensated care application. During the month, staff contacted a small number of trauma physicians to boost awareness and identify any issues that prevented them from submitting an uncompensated care application. Trauma physician education and awareness activities are scheduled to occur throughout January. Staff hopes to increase the number of uncompensated care applications submitted in 2005 through these and other outreach efforts.

Staff provided consultative support to approximately ten trauma physician offices in regards to submitting an uncompensated care application. Generally speaking, questions related to physician eligibility, submission timeframes, and clarification on the uncompensated care application process. Staff received three uncompensated care applications from trauma physicians located in Western Maryland during the month.

The Motor Vehicle Administration collected \$932,328.44 in November and the fund balance now stands at about \$11 million. **Uncompensated care applications from trauma physicians and on-call applications from trauma centers for the second half of 2004 are due to MHCC on January 31, 2005.**

## **Data Base and Software Development**

### **Medical Care Data Base**

Staff identified payers required to submit data to the 2005 MCDB in June 2006 as required under COMAR 10.25.06. These payers received a notification letter and were provided with information regarding the data submission. The table below provides a breakdown of reporting payers.

<b>MCDB</b>	<b>Due Date</b>	<b>Premium Volume of Contributing Payers</b>	<b>Number of Contributing Payers</b>
<b>1998</b>	June 1999	\$2,665,821,073	55
<b>1999</b>	June 2000	\$2,996,950,069	54
<b>2000</b>	June 2001	\$3,014,647,309	47
<b>2001</b>	June 2002	\$3,063,658,273	35
<b>2002</b>	June 2003	\$3,131,780,487	33
<b>2003</b>	June 2004	\$3,336,952,579	29
<b>2004</b>	June 2005	\$3,338,950,367	33

### **Ambulatory Surgical Survey**

Staff met with ambulatory surgical center representatives to discuss the 2005 Freestanding Ambulatory Surgical Survey release. All centers complete the survey, which is used for health planning and consumer informational purposes. Staff discussed improving the accuracy of financial and utilization information with the representatives. For the next survey, staff plans to conduct more complete quality checks on financial and utilization fields to ensure that average revenue per case and case mix can be accurately reported for the \$250 million industry. The survey is slated for release in late February.

## **Cost and Quality Analysis**

### **State Health Expenditure Accounts**

The Commission is releasing the report, *State Health Care Expenditures: Experience from 2003* at the January Commission meeting. By releasing the report, the MHCC meets its mandate to report on the state's total reimbursement for health care services in accordance with health care reform legislation passed in 1993. A draft report was mailed to the Commission in late December and the final report will be available at the Commission meeting.

### **Partnership with DHMH's Diabetes Prevention & Control Program (DPCP)**

MHCC's collaboration with DHMH's Center for Preventive Health Services, Division of Diabetes Prevention and Control (DPCP) to construct baseline measures for diabetes prevalence and treatment among Maryland Medicare beneficiaries is now complete. Center and MHCC staff accepted the research report and Diabetes Spotlight from the Mathematica Policy Research in late December. Dr. Tim Lake will present study findings to the County Health Officers Roundtable on February 9<sup>th</sup> and to the Commission on February 16<sup>th</sup>. A copy of the Diabetes Spotlight is included with this mailing.

## **EDI Programs and Payer Compliance**

### **HIPAA Awareness**

Last month, staff released the electronic *MHCC Security Assessment Guide*. The guide enables users to complete a security gap assessment, develop policies and procedures, and track compliance with the federal regulations. Staff is preparing a brochure to promote the tool, which is available for download on the Commission's website.

MHCC's HIPAA education and awareness initiatives continued throughout December. Over the last month, staff provided support to the following organizations:

- Maryland Medical Group Management Association
- EPIC Pharmacies
- Maryland State Chiropractic Association
- Maryland Podiatric Association
- Magellan
- Doctors Community Hospital
- Maryland Hospital Association
- Montgomery County Medical Society

### **EDI Promotions**

Last month, staff met with representatives from two electronic health networks (EHNs) -- Mysis and IDX. These companies currently operate reroute electronic transactions through WebMD and are interested in establishing direct connections with leading payers, making them eligible for coverage under MHCC regulations. Mysis and IDX are expected to apply for MHCC-certification in the first quarter of 2005. Existing regulations require that payers doing business in Maryland only accept claims from MHCC-certified networks.

In December, staff participated in a provider web cast sponsored by WebMD. Attendees included several faculty-based physician practices and CareFirst. The web cast was intended to identify ways to increase provider outreach efforts by WebMD. WebMD expects to develop performance based reporting for Maryland providers in mid-2005.

Staff notified payers required to submit an EDI Progress Report in 2005. Approximately thirty-seven payers were identified for reporting under COMAR 10.25.09. This is the first year that Maryland Medicaid Managed Care Organizations (MCOs) will be submitting an EDI Progress Report. Staff met with representatives from the MCOs to review information to be included in the report.

### **E-Scripting Initiative**

The e-script accreditation standards were reviewed and approved for release by the Electronic Healthcare Network Accreditation Commission (EHNAC) at its December meeting. EHNAC plans to place the criteria on its website for a ninety day public comment period. EHNAC expects to finalize the e-script accreditation criteria at its March meeting. Three e-script networks currently operate in Maryland and will need to be certified, if EHNAC adopts the standards.

Last month, staff participated in the Maryland Safety through Electronic Prescribing Initiative (STEP) communication and outreach workgroup sponsored by MedChi, The Maryland State Medical Society. The STEP workgroup finalized its vision statement and education and outreach plan for 2005. Participants in the STEP workgroup include payers, providers, and practitioners.

## **Benefits and Analysis**

### **Small Group Market**

#### **Comprehensive Standard Health Benefit Plan (CSHBP)**

At the May 2004 meeting, Commission staff presented the carrier financial survey for the year ending December 31, 2003 along with Mercer's analysis of proposed benefit changes to the CSHBP. The staff report and recommendations on proposed changes to the Plan was presented at the September 2004 meeting. Staff recommended no changes to the Standard Plan except for technical changes to correct out-dated cross-references. The Commission unanimously approved the staff recommendation to make no changes to the Plan. Final regulations, which have incorporated the technical changes, will be presented later at the January 27<sup>th</sup> meeting for Commission approval.

#### **Limited Health Benefit Plan**

In 2004, the Maryland General Assembly enacted SB 570, requiring the Commission to develop a Limited Health Benefit Plan (LHBP) that will be available to certain small employers beginning July 1, 2005. Along with meetings with interested parties and a public hearing, staff worked with Mercer, its consulting actuary, as well as CareFirst and MAMSI, to develop alternative proposals that meet the statutory requirement of pricing the LHBP at 70% of the cost of the CSHBP as of December 31, 2003. Staff presented the proposals, along with draft regulations, at the December 2004 meeting. The Commission approved the draft regulations, which were posted for the thirty-day comment period beginning December 20, 2004.

#### **Website**

Commission staff have developed a website to be used as a guide for small business owners in their search for health insurance for their employees. This "Guide to Purchasing Health Insurance for Small Employers" is available on the Commission's website at: [www.mhcc.state.md.us/smgrpmt/index.htm](http://www.mhcc.state.md.us/smgrpmt/index.htm). Commission staff have developed a bookmark describing information available on the small group website. This bookmark has been distributed to various interested parties, such as small business associations, Chambers of Commerce, the Maryland legislature, the Department of Labor, Licensing and Regulation, and the Department of Business and Economic Development. As a result of the initial mailing, many of these organizations have requested additional bookmarks to distribute to their constituents.

#### **Health Savings Accounts**

In December 2003, Congress passed the Medicare Prescription Drug, Improvement and Modernization Act, authorizing the offering of health savings accounts (HSAs) in conjunction with high deductible health plans. These plans became available to small employers in Maryland effective July 1, 2004 if carriers elect to develop and market them. The CSHBP regulations have been modified to accommodate this offering during the transition period (for contracts sold between July 1, 2004 and December 31, 2004) and may have to be further modified to accommodate additional federal guidelines in the future. Aetna began offering an HSA-compatible PPO product in Maryland's small group market in August 2004.

The National Association of Health Underwriters has added a new section to its website entitled, "Understanding Health Savings Accounts." The link also has been linked to the above-mentioned Commission website for small businesses. (<http://www.nahu.org/consumer/HSAGuide.htm>)

### **Evaluation of Mandated Health Insurance Services (2004)**

Pursuant to the provisions of §15-1501(f)(2) of the Insurance Article, *Annotated Code of Maryland*, Commission staff requested that members of the House Health and Government Operations and Senate Finance Committees submit proposals for mandated health insurance services that they would like included in the annual evaluation. As required under current law, the Commission must evaluate all mandates enacted or proposed by the General Assembly and new suggestions submitted by a member of the General Assembly by July 1<sup>st</sup> of each year. Three requests for mandate evaluation were submitted by members of the General Assembly: to evaluate wraparound mental health services for children; to evaluate air ambulance services; and to evaluate smoking cessation coverage. The draft report was presented to the Commission at the December meeting. A revised report was mailed to Commissioners and, at the January 11, 2005 Commission meeting (via teleconference), the report was approved for submission to the Maryland General Assembly. The final report also has been posted on the Commission's website.

### **Legislative and Special Projects**

#### **Uninsured Project**

DHMH, in collaboration with the MHCC and the Johns Hopkins School of Public Health, was awarded a \$1.2 million State Planning Grant by the Health Resources and Services Administration (HRSA). HRSA is the federal agency that oversees programs to ensure access to care and improve quality of care for vulnerable populations. The one-year federal grant provides Maryland with substantial resources to examine the state's uninsured population and employer-based insurance market and to develop new models to make comprehensive health insurance coverage fully accessible to all Maryland residents.

Among the several activities, the grant has enabled DHMH and MHCC to conduct further analysis of existing quantitative data sources (Maryland Health Insurance Coverage Survey, MEPS-IC, and CPS), as well as collect additional data to help design more effective expansion options for specific target groups. In addition, focus groups with employers were conducted in order to better understand the characteristics of firms not currently participating in the state's small group market. A report summarizing the findings from the focus groups is available through a link on the Commission's website.

The grant team was awarded a one-year, no cost extension of the project timeline, with an interim report submitted to the Secretary of the Department of Health and Human Services (HHS) in November. DHMH has applied for another one-year, no cost extension to extend the grant activities to August 2005. During this period, DHMH will conduct a telephone survey of Medicaid recipients to clarify the discrepancy in data between the number of Medicaid enrollees listed in DHMH's administrative data and the number of Maryland Medicaid enrollees reported in the Census Bureau's Current Population Survey (CPS). MHCC staff is providing technical assistance. In addition to the Medicaid analysis, the remaining funding through the grant will be used for projects approved by the HRSA SPG administrative staff, such as (1) developing an outreach strategy for its Primary Care Waiver once it is approved by the Centers for Medicare and Medicaid Services (CMS); (2) providing funding for the analysis of the Maryland data from the Medical Expenditure Panel Survey – Insurance Coverage (MEPS-IC), as well as the layout design and printing of the report (Note: MHCC is taking the lead in overseeing this project); (3) providing funding for modeling fiscal and other impacts of a statutory requirement that high-income individuals who do not purchase health insurance be subject to an income tax penalty; and (4) funding for the update to the Interim Report to HRSA and the Final Report due to HRSA in August 2005. The grant's supplemental funds that remain from the previous year total

approximately \$100,000 and are under the purview of the Department of Health and Mental Hygiene (DHMH), not the Maryland Health Care Commission.

The final report is due to HHS at the end of the contract period. The final report must outline an action plan to continue improving access to insurance coverage in Maryland. A report outlining the options to expand coverage to Maryland's uninsured was delivered to the members of Maryland's General Assembly in February 2004.

### **Patient Safety**

Chapter 318 (HB 1274) of 2001 requires the Commission, in consultation with DHMH, to study the feasibility of developing a system for reducing preventable adverse medical events. A Maryland Patient Safety Coalition was initiated by the Delmarva Foundation and served as the Commission's sounding board for its activities related to patient safety. Three workgroups were formed: one to look at issues related to systems changes to be recommended; one to address current regulatory oversight and reporting requirements; and a third to discuss issues related to a proposed Patient Safety Center.

Commission staff released a request for proposal (RFP) to designate the Maryland Patient Safety Center (MPSC). The Maryland Hospital Association and the Delmarva Foundation have been selected to jointly develop and operate the MPSC. Both organizations have agreed to fund the Center for the first three years. The Health Services Cost Review Commission recently approved funding the MPSC during its first year (\$762,500) through increased hospital rates. This amount is equivalent to fifty percent of the anticipated Center expenses, and will be used in conjunction with funding from the MHA, Delmarva, and Maryland hospitals. A press conference announcing the designation was held on June 18, 2004 in Annapolis. Under the terms of the agreement, the Delmarva Foundation and the Maryland Hospital Association are required to submit semi-annual reports updating the status and progress of the MPSC. The first report was delivered to the Commission staff in November and provided to the Commissioners at the December 16, 2004 Commission meeting. This report provides information on the MPSC's activities to date, including the arrangement of the governing structure and the staff; the formation of the advisory board, the recruitment of hospitals and nursing homes; data collection and analysis; and education (e.g., collaboratives).

### **"Prescription Drug Safety Act"**

The Maryland Board of Pharmacy and the Board of Physicians recently requested that Commission staff participate in a Workgroup to study the issue of legibility of prescriptions and make recommendations for any statutory or regulatory changes needed to improve prescription legibility in order to enhance patient safety. HB 433, "Prescription Drug Safety Act", requires that prescriptions be legible, and that the Secretary of Health and Mental Hygiene, in conjunction with the MHCC, the Board of Physicians, and the Board of Pharmacy, convene a workgroup of certain individuals specified in the bill. The Board of Pharmacy and the Board of Physicians are taking the lead on the study. They requested an extension of the study from November 2004 to November 2005; however, at the request of several legislators, an interim report will be provided to the Maryland General Assembly on February 1, 2005 with a final report due August 30, 2005.

The study must include: (1) the appropriate content and format of a prescription; (2) the best means to inform and educate prescribers if changes in prescription format or content are enacted; (3) the appropriate time frame and procedures for implementation of any changes enacted; (4) mechanisms for enforcement of any changes enacted; (5) the impact of any changes in the content or format of prescriptions on oral prescriptions; (6) whether pharmacists should be prohibited by

statute from dispensing illegible prescriptions; and (7) the use and cost of computerized physician order entry and the feasibility of eliminating handwritten prescriptions after a specified date.

A meeting with the Workgroup was held on January 18<sup>th</sup> to discuss the content of the interim report. Staff will assist in reviewing and commenting on a draft of the report prepared by the Board of Pharmacy staff.

### **Study of the Affordability of Health Insurance in Maryland**

The 2004 General Assembly enacted SB 131/HB 845, requiring the Commission and the Maryland Insurance Administration to conduct a study of the affordability of private health insurance in Maryland. An interim report, including findings and recommendations from the study, was mailed to the Commissioners. At the January 11, 2005 Commission meeting (via teleconference), the Commission approved the interim report for submission to the Maryland General Assembly. Copies of the report will be distributed to the Senate Finance Committee and the House Health and Government Operations Committee at briefings scheduled for January 25<sup>th</sup> and January 26<sup>th</sup>, respectively. The interim report also is posted on the Commission website. The final report is due by January 1, 2006.

### **2005 Legislative Session**

Staff has drafted a departmental bill for introduction during the 2005 legislative session to allow reasonable penalties to be applied to those entities that have failed to obtain a Certificate of Need (CON) or a required exemption when they were obligated under statute to do so and have proceeded with the project without Commission authorization. The proposed bill will also extend MHCC authority to impose reasonable penalties on entities that have received a CON but have not fulfilled required performance standards (i.e., a facility that was supposed to be constructed and operational by a certain date but has not opened, thus denying timely access to services to those in need). It will specify in law that monetary penalties imposed by the Commission may not exceed \$1000 per violation for each day the violation continues and will specify the factors used to determine the amount of any fine. In addition, the bill will increase, for hospitals only, the capital expenditure threshold that requires a CON from \$1.25 million (required to be adjusted for inflation – now stands at approximately \$1.6 million) to \$2.5 million (adjusted for inflation annually). Finally, the bill deletes outdated language referencing health service areas for local health planning agencies and updates the definition of a local health planning department to correspond with MHCC procedural regulations governing the CON program.

The Interim Executive Director is scheduled to brief the House Health and Government Operations (HGO) Committee on January 20th on Maryland nursing home occupancy rates. In addition, the Commission will be briefing the Senate Finance Committee and HGO Committee on the *Interim Report on the Study of Affordability of Health Insurance in Maryland*.

As of Wednesday, January 19th, staff has reviewed two bills: HB 52, “Maryland Association Health Plan Act” and Senate Joint Resolution 1 “Obesity Awareness.” Commissioners were polled via email as to whether the Commission should submit a letter of support in concept for SJR 1. There was unanimous agreement with the staff recommendation and a letter was drafted and submitted to the DHMH Office of Governmental Affairs for the January 19th hearing. The hearing for HB 52 has not yet been scheduled.

## **Facility Quality and Performance**

### **Nursing Home Report Card**

Chapter 382 (SB 740) of 1999 requires the Commission, in consultation with the Department of Health and Mental Hygiene and the Department of Aging, to develop a system to comparatively evaluate the quality of care and performance of nursing facilities. The web-based Nursing Home Performance Evaluation Guide is available through the Commission's website. The Guide includes a Deficiency Information page, data from the Minimum Data Set (MDS) and the MHCC Long Term Care Survey, as well as an advanced search capability, allowing consumers to search by facility characteristics and certain services.

In addition to indicators selected by the Maryland Nursing Home Performance Evaluation Guide Steering Committee, the site also includes the quality measures that are reported on the CMS Nursing Home Compare Website. Inclusion of this information on the Maryland site provides consumers with the ability to obtain comprehensive information in one location. The CMS measures were enhanced in January 2004 and are now consistent with the consensus recommendations from the National Quality Forum. The fourteen enhanced quality measures build on the original ten measures and provide additional information to help consumers make informed decisions.

### **Evaluation of the Nursing Home Guide**

The Commission contracted with the Lewin Group to perform an evaluation of the nursing home performance evaluation guide. The purpose of this procurement was to conduct interviews with consumers and discharge planners to test the Guide in real-time with respondents using computers. The objectives of the study included: (1) evaluating consumer/professional usage, preferences, and understanding of the Guide; (2) determining ease in navigating through the website; (3) developing recommendations to improve the Guide; and (4) recommending outreach strategies to increase the utilization of the Guide.

All interviews were conducted and a draft report was presented to the Nursing Home Performance Evaluation Guide Steering Committee for review and comment. The Lewin Group presented the final report to the Commissioners. The Nursing Home Report Card Steering Committee is in the process of prioritizing the recommendations.

### **Nursing Home Patient Satisfaction Survey**

The Commission also contracted for the development of a nursing home patient satisfaction survey, or the recommendation of an existing tool that provides information for consumers that can be integrated into the Maryland Nursing Home Performance Evaluation Guide, by: (a) reviewing and summarizing existing nursing home satisfaction surveys and implementation processes developed by the federal government, state agencies, other public organizations and private entities or organizations; (b) discussing the cost of administration for each approach; (c) identifying the strengths and weaknesses of the various approaches and indicating whether a similar approach is feasible in Maryland; (d) designing or modifying a survey tool; and (e) proposing a plan for administering the tool including estimated implementation costs and timelines.

A report that included a review of the literature and interviews with various states was presented to the Nursing Home Report Card Steering Committee during its January 2004 meeting for review and comment. The Nursing Home Performance Evaluation Guide Steering Committee met on March 26, 2004 and recommended that we proceed with the self-administered family



satisfaction survey and also pursue a pilot project in collaboration with AHRQ to pilot test the Nursing CAHPS tool for resident satisfaction.

The RFP for the family satisfaction survey was released on November 1, 2004. The deadline for receipt of proposals was extended to December 8, 2004. The Evaluation Committee is in the process of assessing the proposals received.

### **Nursing Home Patient Safety**

The Steering Committee began discussion of nursing home patient safety measures that are appropriate for public reporting. The Committee was presented with an overview of the literature and activities in other states, as well as a list of ten common patient safety measures. The Steering Committee agreed that we should begin with reporting health care facility-acquired infections and staffing as two indicators of safety.

### **Hospital Report Card**

Chapter 657 (HB 705) of 1999 requires the Commission to develop a performance report on hospitals. The required progress report was forwarded to the General Assembly. The Commission also contracted with the Delmarva Foundation, in partnership with Abt Associates, to: (1) analyze hospital data to develop appropriate indicators for inclusion in the Hospital Performance Evaluation Guide, and (2) design and execute a consumer-oriented website for the Guide. The initial version of the Hospital Performance Evaluation Guide was unveiled on January 31, 2002.

A new edition of the Hospital Guide was released during a press conference held on May 16, 2003. The revised Guide included quality of care information specific to the treatment and prevention of congestive heart failure and community acquired pneumonia including individual hospital rates, the state average, and the highest rate achieved by a hospital for each of the measures. The first sets of conditions were selected from the Joint Commission on Accreditation of Healthcare Organization's (JCAHO's) ORYX initiative, which collects quality of care information from hospitals in a method designed to permit rigorous comparisons using standardized evidence-based measures. The quality measures data were updated in June 2004 to include information from the 3<sup>rd</sup> and 4<sup>th</sup> quarter of 2003. During this update, the time period for administering an antibiotic for pneumonia within a timely manner was reduced from 8 hours to 4 hours. Additionally, the percent of patients receiving the recommended pneumococcal vaccination prior to discharge was added to the site.

The latest edition to the Hospital Guide features the addition of six new acute myocardial infarction (AMI) treatment measures. Additionally, trend information for the past two years will be publicly reported for the first time. This latest version of the guide marks an important step in providing information on differences emerging in hospital practices and identifies a trend that, in general, shows hospitals' quality measures have improved. For instance, the provision of appropriate smoking cessation counseling for heart failure patients rose from forty-five percent in 2002 to eighty-one percent in 2004. The number of people receiving appropriate discharge instructions for heart failure nearly doubled. The release also reveals that some hospitals have room for improvement. In the case of pneumonia care, many hospitals performed the recommended blood test more than 90 percent of the time while others perform the test less than 70 percent of the time. This edition of the Guide will be released during a press event on January 27th, prior to the scheduled Commission meeting.

The Guide also continues to feature structural (descriptive) information and the frequency, risk-adjusted length-of-stay, risk-adjusted readmissions rates for thirty-three high volume hospital

procedures, and obstetrics data which were updated in December 2004 for admissions occurring during calendar year 2003.

### **Redesign and Expansion of the Hospital Guide**

The Commission contracted with the Lewin Group to perform an evaluation of the hospital performance guide. The purpose of this procurement is to conduct interviews with consumers, primary care physicians, and emergency department physicians to test the Guide in real-time with respondents using computers. The objectives of the study included: (1) evaluating consumer/professional usage, preferences, and understanding of the Guide; (2) determining ease in navigating through the website; (3) developing recommendations to improve the Guide; and (4) recommending outreach strategies to increase the utilization of the Guide.

All interviews were completed and a draft report was presented to the Hospital Performance Evaluation Guide Steering Committee for review and comment. The Lewin Group presented the final report to the Commissioners.

The Hospital Report Card Steering Committee met in July 2004 to begin the redesign process. During this meeting, the Committee approved four major areas of expansion: inclusion of composite measures and mortality data, use of different symbols and development of a hospital compare function.

The Committee met on October 12, 2004 at the University of Maryland in Baltimore County for a discussion of detailed redesign issues, facilitated by TechWrite, Inc., a subcontractor of Delmarva Foundation. The Committee agreed to a design that would specify portals for three major users: prospective patients, hospital leaders, and hands-on providers. Understanding that each audience has different information requirements, the portals would serve as an entry point to targeted content, presentation, and language. Website changes were prioritized and the redesign work is currently underway.

### **Patient Safety Public Reporting Workgroup**

The goal of the Workgroup is to explore patient safety indicators that can be obtained from administrative data and then progress to other measures. The workgroup reconvened in October 2004. Staff presented preliminary AHRQ patient safety indicators and the workgroup recommended the availability for private viewing by hospitals while the Committee evaluates which indicators will be appropriate for public reporting.

Recommendations for publicly reporting healthcare acquired infections were made. The plan proposes to expand the Guide to include information on health care associated infections (HAI) – including both process and outcome measures. MHCC will work with the Centers for Disease Control (CDC), CMS, the Patient Safety Center, and the Maryland Office of Epidemiology and Disease Control Programs on infection definitions, measurement and collection. The MHCC Commissioners approved the release of a call for public comments regarding the proposed HAI public reporting plan at its November 23<sup>rd</sup> meeting. The comment period ended on December 7<sup>th</sup> with no comments precluding the data collection. However, the start date for data collection was delayed until the second quarter of 2005 to allow hospitals preparation time for complying with the new reporting requirements. The Hospital Guide Steering Committee will work with staff to develop additional implementation guidelines.

Additionally, the group has recommended that information regarding the availability of Intensivists in the ICU and progress toward computerized physician order entry (CPOE) be included on the Web site. The Committee members realize that there are varying definitions of

CPOE and also realize that some of the definitions may not be appropriate for use in the state at the current time; therefore, careful consideration will be given to components selected for reporting. Questions regarding Intensivists and CPOE were included with the hospital “Facility Profile Information” distributed near the end of October.

Staff will continue to work with the HSCRC, AHRQ, and others to produce data reports for committee review. Lastly, the workgroup recommended that the JCAHO patient safety measures be reported when they become available by either linking to the JCAHO report or adding the data to the Maryland Guide directly.

### **Patient Satisfaction Project**

MHCC participated in a three-state hospital public reporting pilot project initiated by CMS. The Hospital Report Card Steering Committee served as the steering committee for the pilot project. The Committee serves as the primary vehicle for obtaining input and consensus prior to initiating the state specific activities.

The Maryland Performance Evaluation Guide Steering Committee received a briefing on the pilot test results during the January 27, 2004 meeting and agreed that Maryland should pursue the use of the tool to collect patient satisfaction data for the *Maryland Hospital Performance Evaluation Guide*. MHCC staff then met with representatives of CMS and AHRQ to discuss an additional pilot test of the tool that will take place this summer. A proposal with a complete study design was submitted to AHRQ on April 6, 2004 to request permission to use the HCAHPS tool.

MHCC received approval to use the revised HCAHPS tool in another pilot that began in October 2004. MHCC received hospitals’ submissions of four months of discharge data at the beginning of November 2004. Surveys were sent to the sample of patients drawn from the forty-seven acute care hospitals in Maryland. Pediatric and other specialty hospitals (e.g., cancer facilities) were excluded.

An average of 220 surveys per hospital were sent to the selected participants in an effort to obtain 100 completed surveys by mail or telephone. Discharges will be classified as medical, surgical, or obstetrics services based on the DRG code. The surveys will be randomly distributed across patients discharged from the hospital for medical, surgical, or obstetrics services (total=4,700 surveys for the state). The survey process will conclude in February 2005.

### **Other Activities**

The Facility Quality and Performance Division staff are also participating in the planning process for a new Health Services Cost Review Commission (HSCRC) Quality Initiative designed to evaluate and recommend a system to provide hospitals with rewards and/or incentives for high quality care. Staff attends the HSCRC Quality Initiative Steering Committee meetings on an ongoing basis. The draft report of the HSCRC Steering Committee was also presented to the Hospital Performance Evaluation Guide Steering Committee on January 27, 2004 for review and comment. Since that time, HSCRC developed an implementation framework that was presented to the Commissioners during the January 2005 meeting.

### **Ambulatory Surgery Facility Report Card**

Chapter 657 (HB 705) of 1999 also requires the Commission to develop a performance report for Ambulatory Surgery Facilities (ASFs). The Commission developed a web-based report that was also released on May 16, 2003. The 2003 data have been added to the site. The website contains structural (descriptive) facility information including the jurisdiction, accreditation status, and the number and type of procedures performed in the past year. The site also includes several

consumer resources and is currently being updated to provide search and compare functionality, as well as to show volume data over a three year period.

An ASF Steering Committee was convened to guide the development of the report and consists of representatives from a multi-specialty facility, a large single specialty facility, an office based facility, a hospital based facility, and a consumer representative. An exploratory meeting was held with a subset of this group in January 2003. Subsequently, the Steering Committee provided input on several of the proposed web pages including a consumer checklist, glossary, and list of resources. The committee will reconvene in February 2005 to review recent developments in quality improvement and patient safety in ambulatory surgery facilities.

## HMO Quality and Performance

### Distribution of 2004 HMO Publications

Cumulative distribution: Publications released 9/27/04	9/27/04 to 12/31/04	
	Paper	Electronic Web
<b>Measuring the Quality of Maryland HMOs and POS Plans: 2004 Consumer Guide</b> (22,000 printed)	17,876	Visitor sessions = 1,413
<b>2004 Comprehensive Performance Report: Commercial HMOs &amp; Their POS Plans in Maryland</b> (600 printed)	537	Visitor sessions = 654
<b>Measuring the Quality of Maryland HMOs and POS Plans: 2004 State Employee Guide—</b> 50,000 printed and distributed during open enrollment		

### Final Distribution Total

7<sup>th</sup> Annual Policy Issues Report (2003 Report Series) –

Released January 2004; distribution continued until January 2005

<b>Maryland Commercial HMOs &amp; POS Plans: Policy Issues</b> (1,000 printed)	<b>714</b>	<b>Visitor Sessions: 986</b>
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### Distribution of Publication

With staff efforts committed to report development and procurement, distribution slowed noticeably during December. Active outreach will resume in January with the implementation of a strategy to target businesses found in the Baltimore Business Journal's and Washington Business Journal's *Book of Lists*. Division staff will also contact public libraries to identify which branches need to restock their Consumer Guide inventories as part of the winter distribution effort releasing the Policy Issues report.

### 2004 Performance Reporting: Report Development

HMO Quality & Performance Division staff completed writing and editing work on the *Maryland Commercial HMOs & POS Plans: Policy Issues* report. Report development included additional review time to allow feedback on the content. Once finalized, the graphic design firm produced final files of the copy and the competitive bidding process was used to select a printer. Both an electronic and a hard-copy final proof were supplied to the printer for production of the *Policy*

*Issues* report. Delivery of the order is scheduled for January 18, 2005. The *Policy Issues* report will be the last deliverable under the current contract, which ends May 2005.

### **2005 Performance Reporting: HEDIS Audit and CAHPS Survey**

#### **Required Reporting Requirements for 2005-2006**

At the December meeting, the Commissioners took final action to establish revised requirements for HMO reporting in 2005 and preliminary requirements for reporting in 2006. Representatives from each of the seven HMOs required to report to the Commission in 2005 were notified of the final reporting requirements.

#### **HEDIS Audit Activities**

Proposals for the auditing of HEDIS data of Maryland commercial HMOs were solicited through a competitive bid Request for Proposal (RFP) process. In December, the HEDIS audit evaluation committee selected HealthcareData.com (HDC), the incumbent vendor, to perform tasks underlying contract deliverables.

HDC has nearly completed the task of validating the adult sample frame compiled by each plan. The approved sample frames will be used by the CAHPS survey firm to draw the representative sample for each commercial HMO. Submissions began later than usual this audit season due to procurement activity.

Beginning with this audit contract cycle, the audit firm is required to rotate auditor assignment among plans each audit period to improve documentation review. Staff has notified HDC of needed revisions to the staffing schedule. Additionally, Division staff will evaluate auditor performance during oversight of onsite visits. Dates for this phase have been scheduled for all plans. Onsite visits will begin in February and conclude in March.

Staff developed and distributed technical specifications for the MHCC version of the new Low Back Pain Imaging Study measure. With final approval granted for inclusion of this measure in the 2005-2006 reporting requirements, staff will work jointly with HDC to integrate this measure into the automated tool developed. The tool was created to facilitate accuracy and efficiency in collection of data for measures developed by MHCC. HDC will provide each Maryland plan with a CD of the MHCC data submission tool when finalized in January.

#### **Consumer Assessment of Health Plan Study (CAHPS Survey)**

Proposals for the administration of the 3.0H CAHPS Survey of adult members of Maryland commercial HMOs were solicited through a competitive bid Request for Proposal (RFP) process. In December, the CAHPS survey evaluation committee selected a new vendor, The Myers Group, to perform tasks underlying contract deliverables.

Staff completed the approval process required for all 2005 CAHPS survey correspondence and questionnaires. National Committee for Quality Assurance (NCQA) approved all modifications to material used for survey administration. The Myers Group will use the approved documents to begin production of survey materials. Finally, MHCC staff will be seeded for all mailings to monitor adherence with the scheduled.

Only half of the plans required to report in 2004 will ask supplemental questions. MHCC modified its supplemental question set by including a new question to obtain related information about the flu shot survey measure.

## HEALTH RESOURCES

### **Certificate of Need**

Staff issued eight determinations of non-coverage by Certificate of Need (CON) review during December. The following received determinations of non-coverage by CON review for proposed capital expenditure projects pursuant to their pledge not to raise rates for the hospital debt service: Suburban Hospital in Montgomery County for a \$2,983,350 project for renovations to the emergency department; and Johns Hopkins Hospital in Baltimore City for a \$1,760,000 project to renovate and expand the existing neonatal intensive care unit by ten bassinets.

Other determinations of non-coverage by CON review were issued to Sligo Creek Nursing and Rehabilitation Center to temporarily delicense five comprehensive care beds at the facility, and Forest Glen Nursing and Rehab Center to temporarily delicense twenty-six comprehensive care beds at the facility (both facilities are in Montgomery County); Deer's Head Center in Wicomico County to permanently relinquish ten comprehensive care beds; SunBridge Care and Rehab of Elkton in Cecil County to relicense thirty temporarily delicensed beds; and Endoscopy Center of Essex in Baltimore County to establish an ambulatory surgery center with two non-sterile procedure rooms.

Staff also conducted a pre-licensure certification of Manor Care –Woodbridge Valley for the opening of its newly-constructed 110 bed comprehensive care facility located on Rolling Road in Baltimore County.

### **Acute and Ambulatory Care Services**

Changes to COMAR 10.24.12, the State Health Plan for Acute Hospital Inpatient Obstetric Services, were approved as proposed permanent regulations by the Commission at the October 19, 2004 Commission meeting. Notice of the proposed action was published in the *Maryland Register* on November 29, 2004. A thirty day public comment period ended Thursday, December 30, 2004. The Commission received written comments from Adventist HealthCare, MedStar Health, and the Maryland Chapter of the American Academy of Pediatrics. A summary of those comments and staff's recommendation will be presented to the Commission at the January 27, 2005 meeting. If approved, Supplement 1 will become effective on March 1, 2005.

Holy Cross Hospital submits monthly reports to the Commission on the status of its construction project pursuant to the March 2004 approval of the modification to the hospital's Certificate of Need. The purpose of these reports is to advise the Commission about any potential changes to the terms of the modified CON, including changes in physical plant design, construction schedule, capital costs, and financing mechanisms. The hospital's January update reports no changes to the project cost, the design, or the financing of this project.

### **Long Term Care and Mental Health Services**

Under COMAR 10.24.08.04D of the State Health Plan for Facilities and Services, the Commission is required to publish, on an annual basis, updated occupancy data for all of the chronic hospitals in the state. This includes five private chronic hospitals and two state-operated chronic hospitals. This will be published in the January 21, 2005 issue of the *Maryland Register*.

Staff of the Long Term Care Division will represent the Commission on the Maryland Department of Aging's Continuing Care Advisory Committee. This Committee oversees the role of continuing care retirement communities and reviews recommended changes in the regulations governing such communities.

Beginning with the 2003 Hospice Survey, the Commission has been required to collect its own hospice data and not rely on any other source. Under a contract with Perforum, the 2003 survey was developed for online data submission. Data was reported by all of the hospices in Maryland. The Maryland Hospice Survey 2004 has been prepared in draft form and is currently undergoing final review. The 2004 survey is scheduled to be available online for data submission by the middle of February.

### **Specialized Health Care Services**

At the Commission meeting on January 27th, the Commission will take final action to amend its regulations governing data reporting by hospitals (COMAR 10.24.02). The amendments require hospitals in Maryland to collect and report data needed by the Commission to perform its duties. The amendments also include several technical corrections.

The State Health Plan for Cardiac Surgery and Percutaneous Coronary Intervention (PCI) Services (COMAR 10.24.17) requires a hospital receiving a primary PCI waiver from the Commission to agree to collect and report complete and accurate demographic, clinical, process, and outcome data for primary PCI patients on a schedule and in a format specified by the Commission. In June 2004, the Commission established the Primary PCI Data Work Group to develop recommendations related to the collection and reporting of data required by COMAR 10.24.17. In November 2004, the Work Group submitted preliminary recommendations to the Commission for inclusion in a pilot test. The following hospitals are currently testing a printed version of the recommended data collection forms: Holy Cross Hospital, Howard County General Hospital, North Arundel Hospital, Sacred Heart Hospital, St. Agnes Hospital, Southern Maryland Hospital Center, and Washington Adventist Hospital. The Work Group will review the results of the pilot test and feedback received from the participants before submitting final recommendations to the Commission.

Released by the Commission on December 16, 2004, the second annual *Statistical Brief on Cardiac Surgery and Percutaneous Coronary Intervention Services* is available at <http://www.mhcc.state.md.us/openheartsurgery/cardiacstatbrief2004.pdf>. This brief is one of a series designed to provide data for monitoring the availability and utilization of certain health care resources in compliance with the Commission's State Health Plan for Facilities and Services.